

### **The Board of Directors' proposal to grant the Board the authorization to resolve on the acquisition and transfer of the Company's own shares**

The board of directors proposes that the AGM authorizes the board of directors to resolve on the acquisition of the company's own shares pursuant to the following terms and conditions.

- a) Acquisitions are to take place on a regulated market or through an offering to all of the company's shareholders.
- b) Acquisitions are to refer to the Class B shares in the company.
- c) The authorization may be utilized on one, or several, occasions during the period until the following Annual General Meeting.
- d) A maximum number of shares may be acquired so that the company's holdings, at any point in time, do not exceed ten percent of all shares in the company, whereby the entire number of shares is to refer to Class B shares.
- e) Acquisitions of shares on a regulated market may only take place at a price that is, at any point in time, within the registered share price interval – that is, the interval between the highest bid price and lowest selling price.
- f) Acquisitions of shares through an offering to all shareholders in the company are to take place at a rate corresponding to the lowest market value at the time of the offering, with a maximum upwards deviation of 20 percent.
- g) The acquired shares are to be paid for in cash.

The board of directors also proposes that the AGM authorizes the board of directors to resolve on the transfer of the company's own shares pursuant to the following terms and conditions.

- a) Transfers are to take place on a regulated market or in conjunction with an acquisition of a company or business.
- b) The authorization comprises the right to resolve on deviations from shareholders' preferential rights, and that establish forms of payment other than cash funds, on the basis of in-kind payment, offsetting or on the basis of other conditions.
- c) The authorization may be utilized on one, or several, occasions during the period until the following Annual General Meeting.
- d) The authorization may be utilized for the maximum number of shares stipulated in the authorization to acquire the company's shares.
- e) Transfers in a regulated market may only take place at a price that is, at any given point in time, within the registered share price interval.
- f) Transfers in connection with acquisitions of companies or businesses shall take place at a price which, in all essential manners, corresponds to the market value for the company's share at the time of the entering into the acquisition agreement.

The purpose of the authorization is to provide the board of directors with increased options in its work with the company's capital structure and to, when deemed appropriate, to enable acquisitions. The reason for the deviation from shareholders' rights, with regard to transfers made in conjunction with the acquisition of companies and businesses, is to create alternative forms of payment for such acquisitions. The resolution granting the board of directors authorization to decide upon the acquisition and sale of the company's shares is only valid provided that said resolution is supported by shareholders holding at least two thirds of both the votes and of the shares represented at the AGM.

**Statement by the Board of Directors, in accordance with Chapter 19, Section 22 of the Swedish Companies Act, regarding the proposal to grant the Board the authorization to resolve on the acquisition and transfer of the Company's own shares**

The board proposes that the AGM grants the Board of Directors the authorization, for the period until the following annual general meeting, to acquire the company's Class B shares, up to a maximum of ten percent of all of the shares issued in the company.

On the basis of the grounds stated in the board of directors' statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act, regarding the proposed distribution of profits, the board of directors considers the proposed authorization to be justifiable with reference to the parameters stated in Chapter 17, Section 3, Paragraphs 2 and 3 of the Swedish Companies Act.

The board of directors is, therefore, of the opinion that the proposal to grant the board the authorization is justifiable with regards to the demands placed on the company's and the group's equity by the nature, scope and risks of the operations, as well as the company's and the need to strengthen their balance sheet, liquidity and general position.

Furthermore, the board of director's has considered its responsibility in conjunction with the exercise of the authorization, to prepare a new motivated statement in accordance with Chapter 19, Sections 22 and 29 of the Swedish Companies Act, regarding whether the acquisition of shares in question is justifiable under prevailing circumstances, as well as the in regards to the parameters stated in Chapter 17, Section 3, Paragraphs 2 and 3 of the Swedish Companies Act.

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Sälen in November 2018

*The board of directors of SkiStar AB (publ)*